



Fred Shestopal

fred@esb-law.com

September 20, 2006

Peoples Energy
120 E. Randolph, 17th Floor
Chicago, IL 60601-6207
Attn: billing/legal department

Illinois Commerce Commission
Consumer Services Division
527 E. Capitol Avenue
Springfield, IL 62701

Re: Account Number: 2500043702373
7730 N. Eastlake Ter., Fl1
Chicago, IL 60626-1389

To Whom It May Concern:

I am a resident of the above referenced property. On or around September 15, 2006, I was served with a Final Notice Prior to Disconnection, enclosed herewith for your records. The attempt of the Notice was to threaten, including but not limited, my credit history, collection of the alleged balance and shut off of the gas service.

Please accept the following as my formal notice of the dispute of the balance allegedly owed to People's Energy. As evidenced by the enclosed correspondence dated November 23, 2004, Peoples Energy was to set up an Automatic Payment Program to automatically withdraw payment from my account. Per the terms of the Agreement between myself and People's Energy, I was to receive my regular bill each month showing how much gas I used and the date the bill amount will be sent to my financial institution.

As evidenced by the initial billing statement, dated November 4, 2006, People's Energy assigned meter number P26110132 to my unit. However, my independent investigation revealed that meter number P26110132 belongs to the unit above me.

Furthermore, during the course of late 2004 though early part of 2006 I did not received an itemized statement showing the usage of the gas. My assumption was that the People's Energy automatically withdrew monthly payments from my account per terms of the Agreement. It was not until the receipt of last months' statement, dated August 15, 2006 and enclosed herewith for your reference, I was put on notice that balance of almost \$3,000.00 is outstanding.

440 Central Avenue
Highland Park, IL 60035
Phone: 847-432-6900
Fax: 847-432-8950



Fred Shestopal
fred@esb-law.com

Emalfarb,
Swan & Bain

Please note, People's Energy's attempts to collect balance allegedly owed after 1 ½ years without any prior notice will be vigorously defended by me. Not only did People's Energy erroneously assign a wrong meter to my unit, resulting in the mix up of the gas usage, People Energy is attempting to collect the balance owed based on today's rates. The gas prices substantially rose from 2004 to 2006, yet People's Energy fraudulently billed me for the use of the gas during the course of 2004 through 2006, based on 2006 rates. Additionally, People's Energy failed to furnish me with the appropriate monthly statement that would allow me to determine the proper usage of the gas in the unit. Should I have known the amount I was billed during the course of certain month, I would have adjusted the heat accordingly, turning it off during the day or at night, adjusting my water heater which was apparently set up to the maximum.

It would appear reasonable to demand certain payment from me due to a certain usage of the gas, however, People's Energy simple approach of: "pardon us...we forgot to bill you. Here is a bill for 3,000.00" is unacceptable and will be contested in the court of law, should this matter proceed to litigation. Is it possible that during the course of the year there were certain gas leaks that should have been corrected by the Gas Company. I would not have known of these gas leaks, unless I had the opportunity to review my monthly statements to determine that the bill is too high.

Moreover, the Notice received is dated September 15, 2006. As evidenced by the enclosed correspondence, the first time I was advised on the alleged unpaid balance was August 15th, 2006. Immediately I have contacted Customer Care representative from People's Energy to dispute balance owed. I requested for the technician to conduct a site check, to determine whether the bill was correctly assigned to my unit. The site check was conducted by the technician on the 18th of September. For Peoples Energy to issue Final Notice without due course, i.e., investigating the cause of nonpayment, issuing first collection notice is a Violation of the Consumer Fair Practices Act. If Peoples Energy have reported this account to a credit bureau as a result adversely affecting my credit history, I urge you to immediately correct that by furnishing a retraction letter. If my credit history is adversely effected due to the action by People's Energy, I will commence legal action and will seek damages.

I urge People's energy to review my account carefully, including this correspondence and the enclosures and contact me immediately to amicably resolve this dispute. Because this account is in dispute and because I am current on my current gas payment as evidenced by the enclosure, it is my understanding that my gas will not be shut off.

Very Truly Yours,

Emalfarb, Swan & Bain

Fred Shestopal
FS/

440 Central Avenue
Highland Park, IL 60035
Phone: 847-432-6900
Fax: 847-432-8950

	Date Issued	Account Number	Amount Due
If you do not want your gas service shut off, you must pay \$2,975.30 before 09-25-06	09/15/06	2-5000-4370-2373	\$2,975.30

CUSTOMER

CHARGES

Name Fred Shestopal
Account Number 2 5000 4370 2373
Service Address 7730 N EASTLAKE TER FL 1
CHICAGO IL 60626-1389
Phone Number (773)274-8888
Service Classification Rate 1 - Small Residential Service
Heating Account YES

Past Due Bill Amount \$2,975.30

YOU MUST MAKE ARRANGEMENTS TO PAY THE TOTAL AMOUNT DUE IMMEDIATELY TO AVOID LOSS OF GAS SERVICE.

- We have reported your payment history to a credit bureau and your credit rating will be adversely affected.
- Failure to pay will result in referral to a collection agency.
- If service is disconnected, you will be required to pay 100% of your account balance, a security deposit and a reconnection charge of up to \$245.

You may be able to make arrangements for extended payments to avoid disconnection by calling us toll free at 1-866-556-6001. Representatives are available Mon-Fri, 7:00 am to 7:00 pm and Sat from 7:00 am-3:00 pm. To pay your gas bill by credit card, simply call 1-866-295-0086. There is a service fee.

Debe hacer arreglos para pagar el saldo total de su cuenta inmediatamente y así evitar la desconexión de su servicio de gas.

- Hemos enviado su historial de pago a una oficina de crédito y su crédito será afectado negativamente.
- El no pagar el saldo de su cuenta resultará en que su cuenta sea remitida a una agencia de cobranza.
- Si su servicio de gas es desconectado por falta de pago, usted tendrá que pagar 100% del saldo pendiente en su cuenta, un depósito de seguridad y un cargo por reconexión hasta de \$245.

Llame al teléfono gratuito 1-866-556-6003 para saber si podría pagar a plazos el saldo de su cuenta y así evitar desconexión de su servicio de gas. Nuestros representantes están disponibles de 7:00am-7:00 pm de lunes a viernes, y de 7:00am-3:00pm los sábados. Si desea pagar su factura con una tarjeta de crédito, simplemente llame al 1-866-295-0086. Hay un cargo por el servicio.

Account Number: 2-5000-4370-2373

Service is subject to being discontinued on or after 09-25-06 because you owe \$2,975.30

|||||
FRED SHESTOPAL
7730 N EASTLAKE TER FL 1
CHICAGO IL 60626-1389

Amount Paid _____ \$ _____
If paying by mail, please allow 5 days for delivery.



November 23, 2004

RE: 2-5000-3846-8408
7730 N Eastlake Ter FL 1

|||||
FRED SHESTOPAL
7730 N EASTLAKE TER FL 1
CHICAGO IL 60626-1389

Welcome To Automatic Payment

Dear Customer:

Thank you for participating in the Automatic Payment Program. Your monthly Peoples Gas Light And Coke bill payment will automatically be withdrawn from your account. There are no sign-up fees or extra charges.

You will receive your regular bill each month showing:

- How much gas you used, and
- The date the bill amount will be sent to your financial institution for payment.

Your first payment will be withdrawn for the bill prepared after 11/20/2004. We are sure you will find Automatic Payment a much easier way to pay your gas bill.

If you have any questions or need more information and would like to contact us, please call 1-866-556-6001, Monday through Friday from 7:00 a.m. to 7:00 p.m., and on Saturday from 7:00 a.m. to 3:00 p.m., or write to Peoples Gas Light And Coke, 130 E. Randolph, Chicago, IL, 60601-6206.

Sincerely,

Customer Care

Bill Date	Account Number	Payment Due Date	Amount Due
11/04/2004	2 5000 3838 1299	No Amount Due	\$.00

Name **Fred Shestopal**
Service Address **7730 N Eastlake Ter FL 2**
Chicago IL 60626-1389
Service Classification **Rate 1 - Small Residential Service - Heating**

Delivery Charge

Taxes

\$0.00

Total Current Charges

\$0.00

AMOUNT DUE

\$0.00

MESSAGES

THIS IS YOUR FINAL BILL.

Looking to keep gas costs down? Visit PeoplesEnergy.com for weatherization and conservation tips and payment programs to help you manage energy costs.

To pay your gas bill by credit card, call 1-866-295-0086. A \$4.95 fee per \$400 transaction will apply.

130 E Randolph Dr - Chicago IL 60601

Customer Inquiries 1-866-556-6001
Emergencies 1-866-556-6002
En Español 1-866-556-6003
TDD Line 1-866-556-6007

Current Usage

Billing Period From 10-30-04 To 10-30-04 days

Meter Reading

Meter Number P2610132

Current Actual 4071 10-30-04

Previous Actual 4071 10-30-04

Difference 0 (100 Cubic Feet)

Therm Conversion

0 x 1.012 BTU Factor = .00 Therms

See back of bill for definitions of terms used on this bill.

970 Your service is provided by Peoples Gas, a subsidiary of Peoples Energy Corporation. "Peoples Energy" is a service mark and trade name licensed to Peoples Gas.

PEOPLES ENERGY
Peoples Gas
North Shore Gas

ACCOUNT NUMBER: 2 5000 3838 1299

NO PAYMENT DUE

CAR-RT SORT **C039

|||||
FRED SHESTOPAL
7730 N EASTLAKE TER FL 2
CHICAGO IL 60626-1389

PEOPLES ENERGY
CHICAGO IL 60687-0001

Yes, I would like to pledge one dollar per month to the Peoples Energy Share the Warmth fund which helps low-income customers pay energy bills.
I have added one dollar to my payment. Check this box -> ☐

Please do not write or stamp below this line.

402500038381299000040000000000000000



www.PeoplesEnergy.com

Bill Date	Account Number	Payment Due Date	Amount Due
07/17/2006	2 5000 4370 2373	08/08/2006	\$32.34

Name Fred Shestopal
Service Address 7730 N Eastlake Ter FL 1
Chicago IL 60626-1389
Service Classification Rate 1 - Small Residential Service - Heating

Activity Since Last Bill

Previous Balance \$41.28
Thank You For Your Payment - \$41.78
Credit - \$0.50

Delivery Charge

Customer Charge \$9.45
Under 50 Therms \$36375 x 19.30 Therms = \$7.02
\$16.47

Environmental Charge \$0.39
\$0.02020 x 19.30 Therms = \$0.39

Gas Charge \$13.03
\$0.67530 x 19.30 Therms = \$13.03

Taxes

Chicago Municipal Tax \$2.46
State Tax \$0.03
State Gas Revenue Tax \$0.46
\$2.95

Total Current Charges \$32.84

AMOUNT DUE

\$32.34

Messages

Join the Budget Payment Plan today to help manage your gas bills. Simply pay \$161.00 instead of the amount due shown on your payment coupon by your bill due date. Your monthly budget payment will be \$161.00.

To pay your gas bill by credit card, call 1-866-295-0086. A convenience fee will apply.

Peoples Gas
130 E Randolph Dr - Chicago IL 60601

Customer Inquiries 1-866-556-6001
Emergencies 1-866-556-6002
En Español 1-866-556-6003
TDD Line 1-866-556-6007

Current Usage

Billing Period From 06-15-06 To 07-15-06 30 days

Meter Reading

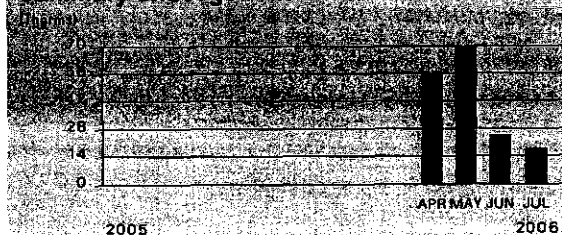
Meter Number P2610573
Current Actual 2295 07-15-06
Previous Actual 2276 06-15-06
Difference 19 (100 cubic feet)

Therm Conversion

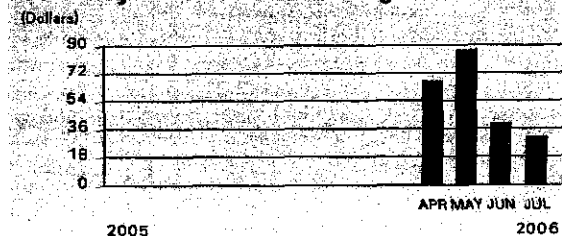
100,000 BTU Factor 3.363 x 100,000 BTU = 19.30 Therms

Average Daily 0.63 Therms

Summary of Usage in Therms



Summary of Total Current Charges



The gas charge for July is 68.96 cents per therm and for June it was 66.10 cents per therm. The gas charge reflects how much Peoples Gas pays for gas, which is what you pay.

See back of bill for definitions of terms used on this bill.



www.PeoplesEnergy.com

Bill Date	Account Number	Payment Due Date	Amount Due
08/17/2006	2 5000 4370 2373	09/08/2006	\$3,007.64

Name Fred Shestopal
 Service Address 7730 N Eastlake Ter FL 1
 Chicago IL 60626-1389
 Service Classification Rate 1 - Small Residential Service - Heating

Activity Since Last Bill

Previous Balance \$32.34
 Thank You For Your Payment - \$32.34
 Cancel Prior Billing (12-06-2004 to 07-15-2006) - \$32.84
 Revised Prior Billing (12-06-2004 to 07-15-2006) \$3,004.52
 Balance **\$2,971.68**

Delivery Charge

Customer Charge \$9.45
 Under 50 Therms \$3.6375 x 22.35 Therms = \$8.13
\$17.58

Environmental Charge \$0.0210 x 22.35 Therms = \$0.45

Gas Charge \$6.6620 x 22.35 Therms = \$14.67

Taxes

Chicago Municipal Tax \$32.70 x 8.24 % = \$2.69
 State Tax \$32.70 x 0.10 % = \$0.03
 State Gas Revenue Tax \$0.24 x 22.35 Therms = \$0.54
\$3.26

Total Current Charges **\$35.96**

AMOUNT DUE **\$3,007.64**

Messages

Join the Budget Payment Plan today to help manage your gas bills. Simply pay \$158.00 instead of the amount due shown on your payment coupon by your bill due date. Your monthly budget payment will be \$158.00.

To pay your gas bill by credit card, call 1-866-295-0086. A convenience fee will apply.

Peoples Gas
 130 E Randolph Dr - Chicago IL 60601

Customer Inquiries 1-866-556-6001
 Emergencies 1-866-556-6002
 En Español 1-866-556-6003
 TDD Line 1-866-556-6007

Current Usage

Billing Period From 07-15-06 To 08-17-06 33 days

Meter Reading

Meter Number P2610573
 Current Actual 2317.4 08-17-06
 Previous Actual 2285 07-15-06
 Difference 22.100 Cubic Feet

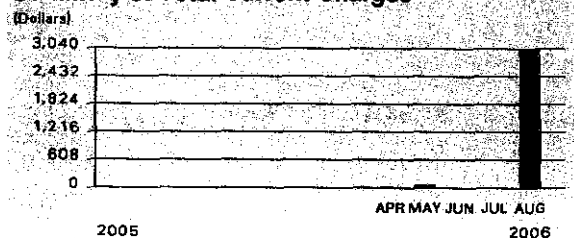
Therm Conversion

100,000 Btu = 1 Therm

Summary of Usage in Therms



Summary of Total Current Charges



The gas charge for August is 62.48 cents per therm and for July it was 68.96 cents per therm. The gas charge reflects how much Peoples Gas pays for gas, which is what you pay.

See back of bill for definitions of terms used on this bill.

Customer Inquiries 1-866-556-6001
Emergencies 1-866-556-6002
En Español 1-866-556-6003
TDD Line 1-866-556-6007

Bill Date	Account Number	Payment Due Date	Amount Due
09/14/2006	2 5000 4370 2373	10/06/2006	\$3,003.38

Name **Fred Shestopal**
Service Address **7730 N Eastlake Ter FL 1**
Chicago IL 60626-1389
Service Classification **Rate 1 - Small Residential Service - Heating**

Activity Since Last Bill

Previous Balance \$3,007.64
Thank You For Your Payment - \$32.34
Balance **\$2,975.30**

Delivery Charge

Customer Charge \$9.45
Under 50 Therms \$.36375 x 16.25 Therms = \$5.91
\$15.36

Environmental Charge \$.02130 x 16.25 Therms = **\$0.35**

Gas Charge \$.60540 x 16.25 Therms = **\$9.84**

Taxes

Chicago Municipal Tax \$25.55 x 8.24 % = \$2.11
State Tax \$25.55 x 0.10 % = \$0.03
State Gas Revenue Tax \$.024 x 16.25 Therms = \$0.39
\$2.53

Total Current Charges \$28.08

AMOUNT DUE \$3,003.38

Messages

At the time of this statement, your account was past due. Please pay \$3,003.38 today. Continual late payments can result in a negative credit rating, deposit requests and even disconnection of service.

To pay your gas bill by credit card, call 1-866-295-0086. A convenience fee will apply.

Current Usage

Billing Period From 08-17-06 To 09-14-06 28 days

Meter Reading

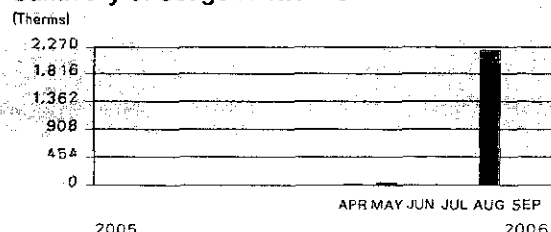
Meter Number **P2610573**
Current Actual 2333 09-14-06
Previous Actual 2317 08-17-06
Difference 16 (100 Cubic Feet)

Therm Conversion

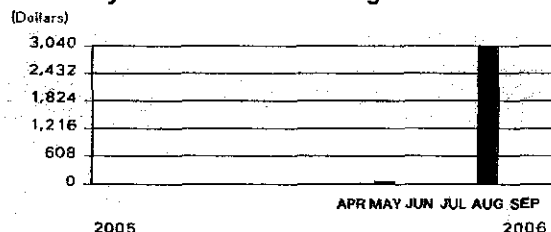
16 x 1.016 BTU Factor = 16.25 Therms

Average Daily Sep 2005 Sep 2006
Therms Used .59 .58
Temperature 73 °F 69 °F

Summary of Usage in Therms



Summary of Total Current Charges



The gas charge for September is 58.59 cents per therm and for August it was 62.48 cents per therm. The gas charge reflects how much Peoples Gas pays for gas, which is what you pay.

See back of bill for definitions of terms used on this bill.

1,193 PG960C
Your service is provided by Peoples Gas, a subsidiary of Peoples Energy Corporation. "Peoples Energy" is a service mark and trade name licensed to Peoples Gas.

Please Pay By 10/06/2006	
Please write your account number on your check.	
If paid after 10/06/2006	\$3,052.15
Amount Due	Amount Enclosed
\$3,003.38	

CAR-RT SORT **C039

|||||
FRED SHESTOPAL
7730 N EASTLAKE TER FL 1
CHICAGO IL 60626-1389

PEOPLES ENERGY
CHICAGO IL 60687-0001

Yes, I would like to pledge one dollar per month to the Peoples Energy Share the Warmth fund which helps low-income customers pay energy bills. I have added one dollar to my payment. Check this box -> ☐

Please do not write or stamp below this line.

462500043702373000030000030033800000